

# Industrial and Economic Impact of the Eurofighter Programme

Final Study Report – Executive Summary



**strategy&**

*Part of the PwC network*

# Executive Summary





The ***Eurofighter*** Impact Assessment examines past and future contributions from the programme...

### The Eurofighter Economic Impact Assessment study (1/2)

---

#### The Eurofighter Economic Impact Assessment study

The study provides a comprehensive look into the **Eurofighter programme**, building upon prior research in Spain, Germany, and the UK. This analysis explores the **historical economic contributions** of the programme and anticipates **future economic contributions** according to future business opportunities.

This in-depth examination spans the **entire spectrum of development, production, and support activities**, encompassing the **four partner nations**: Germany, Spain, Italy, and the UK.

The economic contribution is evaluated in terms of **GDP, employment, and tax revenues** generated by the Eurofighter programme by using the **input-output modelling** method. This method allows us to dissect the **complex economic interdependencies** within the Eurofighter ecosystem, offering a nuanced understanding of how each component contributes to the overall economic fabric.

## Introduction

...to provide a holistic perspective of the socio-economic impact across the four Eurofighter partner nations

## The Eurofighter Economic Impact Assessment study (2/2)

---

### The Eurofighter Economic Impact Assessment study

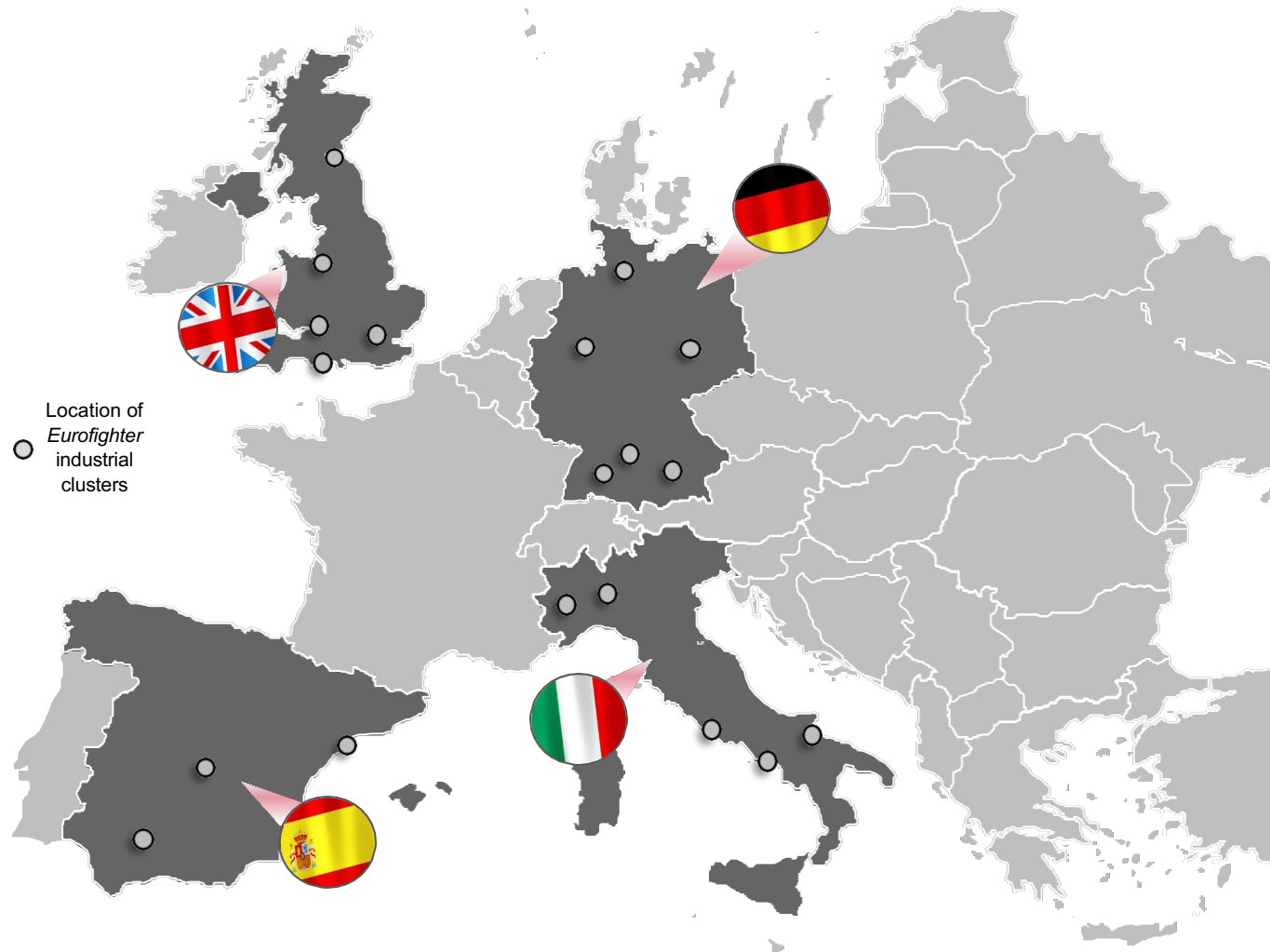
The study covers different timeframes as a reference for the analysis:

- The **Historical Period** (2013 - 2023), analysing the past decade to understand the programme's foundational economic impact
- The **Future Period** (2024 - 2033), considering:
  - A **Base Scenario** examining anticipated economic contributions focused on Halcón I, Quadriga, and Halcón II contracts
  - A **Growth Scenario** exploring potential gains under a scenario of enhanced growth that takes into account the Base contracts, further aircraft sales in the home countries, as well as several export opportunities.
- The **Support Outlook** (2034 – 2060), covering support contracts until the end of the Eurofighter fleet's useful life.

Our study provides a comprehensive understanding of the **Eurofighter programme's economic impact**, retrospectively and prospectively. Insights from GDP, employment, and tax revenue metrics are invaluable for **strategic planning, policy development, and fostering sustainable economic growth**.

## Industrial ecosystem overview

The regional technology and engineering competencies across the industrial network constitute the programme's backbone



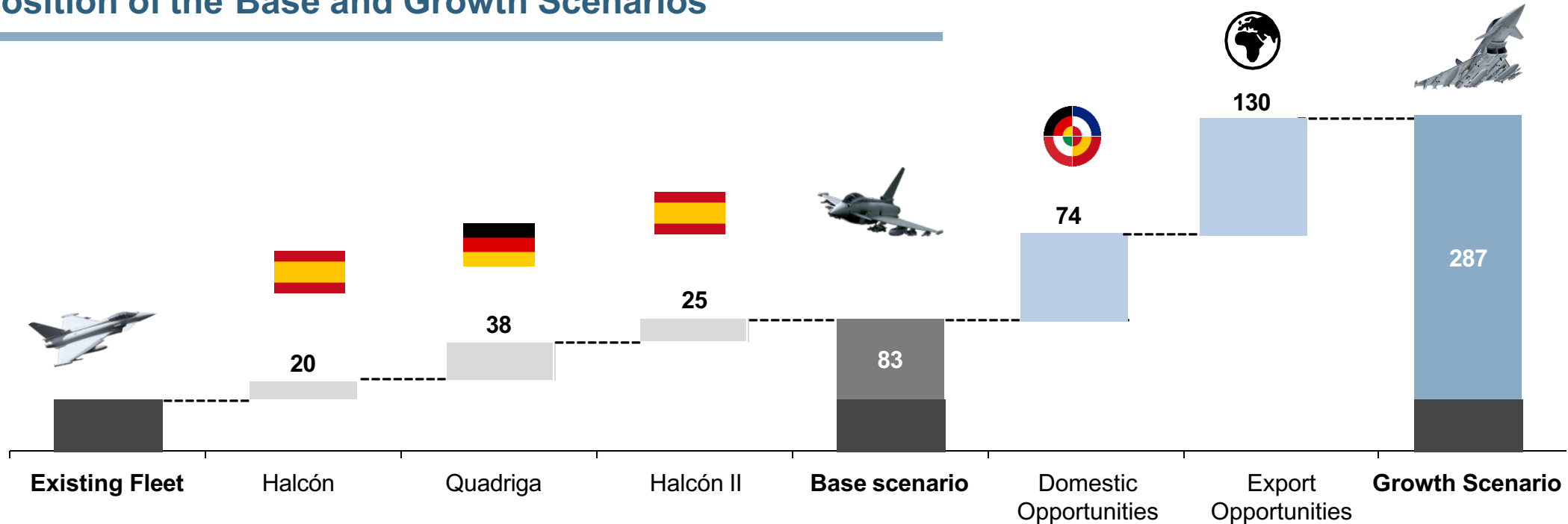
### Key observations

- The *Eurofighter* programme boasts a robust **industrial system** that spans a network of **over 400 suppliers and contractors**
- The industrial network plays a crucial role in **R&D, manufacturing, and in-service support** of the Eurofighter Typhoon, ensuring a **stable, diverse, and highly skilled pool of expertise** which represents a strategic asset for all four Nations
- The Eurofighter industrial landscape aligns seamlessly with the **average contractual workshare agreements** of the partner nations
- The involvement of various suppliers and contractors from **regional clusters enhances the Programme's resilience and adaptability**, fostering a dynamic ecosystem able to capitalize on opportunities

## Future contribution scenarios

A Base Scenario would sustain a minimum production rate for a few years, but further domestic and export orders are needed

### Composition of the Base and Growth Scenarios



Comprised of contracts for:



Development



Production



Support

*Includes existing in-service fleet support*

## Future contribution




Increased employment, GDP, and tax revenue would result from realising both domestic and export opportunities

Figures from 2024 - 2033

**In-Service Support**

Base Scenario

**Growth Scenario**

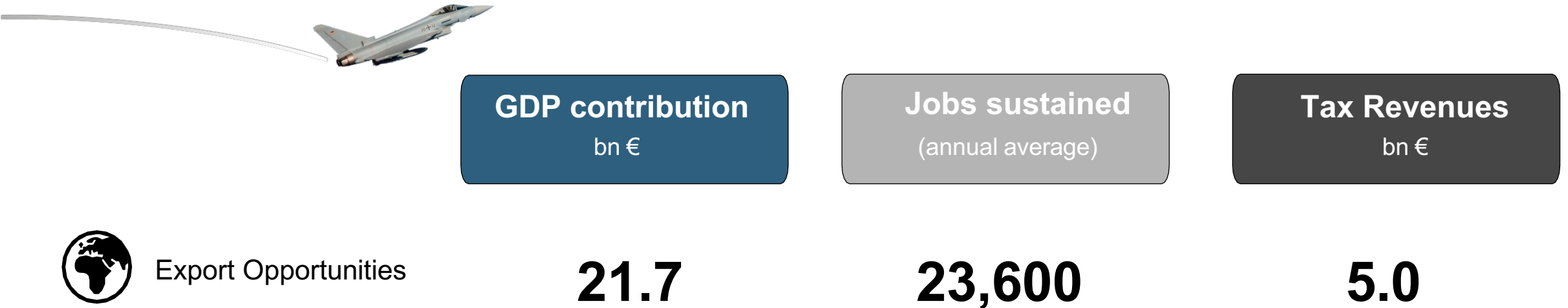
	<b>In-Service Support</b>		<b>Base Scenario</b>		<b>Growth Scenario</b>
<b>Economic Value in bn €:</b>	<b>33.9 (24.8*)</b>		<b>53.6 (46.3*)</b>		<b>85.0 (59.5*)</b>
 <b>Taxes (bn €)</b>	<b>9.2</b>	➤➤	<b>14.3</b> <b>+5.1</b>	➤➤	<b>22.0</b> <b>+7.7</b>
 <b>Jobs (annual)</b>	<b>41,200</b>	➤➤	<b>62,700</b> <b>+21,500</b>	➤➤	<b>98,300</b> <b>+35,600</b>
 <b>GDP (bn €)</b>	<b>36.4</b>	➤➤	<b>57.5</b> <b>+21.1</b>	➤➤	<b>90.5</b> <b>+33.0</b>



## Future contribution via Export opportunities - General economic overview

Export opportunities provide considerable economic benefits to all the partner nations without need for taxpayer funding

### Export opportunities – Total economic contribution (2024-2033)



Export Opportunities

**21.7**

**23,600**

**5.0**

# Eurofighter Impact on the Economy



Creates significant GDP impact across the 4 economies – estimated at **58 bn €** through 2024-33.

Potential to reach over **90 bn €** considering additional contracts for Core and Export orders



Generates net tax revenue of **14 bn €** across the 4 Nations through 2024-33, potentially growing to **22 bn €**

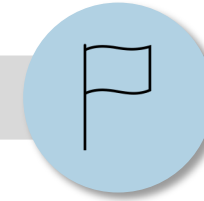
With export contribution, around **30%** of Investments made by the Nations in the Programme will revert back to the Governments as tax revenues



Sustains a highly-skilled workforce – over **98,000** people

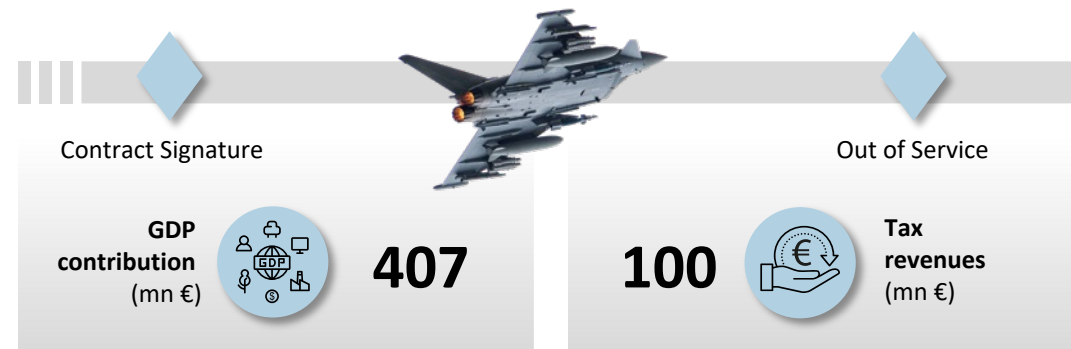


Retains production & maintenance infrastructure with over **400 suppliers** and 4 main production facilities



Guarantees national sovereignty – Nations decide on their own capabilities – Freedom of action and change

## Case Study - Individual aircraft contribution across Nations for full aircraft lifecycle



**Eurofighter provides Nations with important socio-economic returns whilst delivering essential defence capabilities for the Air Forces**



*nothing comes close*



This publication contains general information only. PricewaterhouseCoopers Deutschland GmbH does not use this document to provide professional services or advice. Therefore, the information contained herein should not be considered professional advice nor should it be used as the basis for any decision or action. Before making any decision or taking any action related to the scope or information contained herein, you should seek qualified professional advice tailored to your situation and area of interest. No firm within the PwC network accepts any obligation, liability or duty of care in respect of the consequences of any action or inaction taken by it or any third party on the basis of the information contained in this document or in respect of any decision based on such information. © 2024 PwC Strategy&. All rights reserved. The term PwC refers to the PwC network and/or several of the legally independent network firms. Further details at [www.pwc.com/structure](http://www.pwc.com/structure). The term Strategy& refers to PwC's global strategy advisory practice. Further details on Strategy& at [www.strategyand.pwc.com](http://www.strategyand.pwc.com). Reproduction of the content is not permitted without the written consent of Strategy&.